The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, securing to industrial citizens legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 30, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

Heaven ne'er helps the man who will not.—Sophocles.

WHOLE NO. 1080. WILLIAM GREEN, President WASHINGTON, C., SATURDAY, DECEMBER 19, 1931 FRANK MORRISON, Secretary VOL. 21, NO. 41.

Protecting the Nation's Children

The creation of a nation-wide service of information and consultation on local relief and the prevention of delinquency and dependency are necessary for the protection of children, declared Grace Abbott, chief of the U. S. Children's Bureau, in her annual report.

In emphasizing the need of additional resources for the relief of distress among children, Miss Abbott cited information gained by the children's bureau in its investigation of depressed areas in Pennsylvania, West Virginia, and Kentucky and other States.

In all of these sections the Bureau's investigators found that "unemployment or underemployment has resulted in no wages or inadequate wages. As a result, neglect and the impoverishment of children have been the rule the past year in the mining districts of seven or eight States.

In summing up the results of these surveys, Miss Abbott said:

"Investigation in these mining and small industrial towns in which the whole community life is dependent on the mines or industry which have virtually suspended operations, showed that local public and private resources are quite inadequate in these areas to meet the needs of the children of the unemployed or underemployed men.

"In many of these towns there is little hope of revival of business which will give employment to the numbers who have lived off the industry in the past.

"Demobilization, removal of the workers to other towns, and re-education for other work will be necessary for many.

"Such a program presents special difficulties at the present time.

"In the meantime the children must be fed. These communities are no more capable of carrying the relief load by either local public taxation or local private gifts than is a poor district in a city."

In connection with the demand of railroad executives for heavy wage cuts of railroad employes, Miss Abbott's revelations of wages paid to section laborers is instructive. She said:

"One of the important studies made by the Bureau which will be published shortly concerns children of fathers who were employed at maintenance of way work on the railroads.

"The field work for this study was done during a period of general prosperity, but an analysis of the findings showed that none of the men who had worked steadily as section laborer earned as much as is considered a necessary minimum for a family of four or five.

"In fact not one earned as much as $1,250 as a section laborer during the year of the study.

"Many of the laborers earned far less than $1,250; 29 earned less than $500; 129 earned $500 but less than $750; 212 earned $750 but less than $1,000, and only 101 earned as much as $1,000."

Wage Provisions in Government Contracts for Paper

The decision of the Joint Committee on Printing of the Senate and House of Representatives of the United States Congress that wage-reducing employers will not be permitted to sell paper to the Government Printing Office is a new development.

Public Printer George H. Carter brought the subject to the attention of the Committee.

Senator Henrik Shipstead, a member of the committee, put the matter in definite form by moving that the following language be inserted in contracts for paper:

"The Joint Committee on Printing reserves the right to revoke the contract for any paper produced by workmen the wages of whom are reduced during the term of the contract."

The provision submitted to contracts now being made, but it is expected the committee will adopt the rule for future contracts. The Government Printing Office purchases between twelve and fifteen million dollars worth of paper annually.

It is believed this is the first attempt on the part of Congress to prevent wage cutting by employers who obtained contracts.

Senator George H. Moses of New Hampshire is chairman of the Joint Committee. Senator Shipstead is chairman of the Senate Committee on Printing. The House of Representatives has a similar committee. When the two committees meet together they constitute the Joint Committee on Printing.

FEDERAL ROAD AID BUILDS 11,000 MILES

MacDonald Estimates Program, with Allied Jobs, Gave Work to 1,000,000 During Year.

Washington, Dec. 12.—All records in road building in the United States were broken in the fiscal year ending June 30 and many more thousands of workers than ever before were on the highway pay roll, said Thomas H. MacDonald, chief of the Bureau of Public Roads, in his annual report.

Over 11,000 miles of roads were constructed or rebuilt, compared with 8,682 in the preceding year, and $132,813,000 in Federal aid money was paid to the States for highway work as against the largest previous total of $95,749,998 in 1929.

As an evidence that the increase of employment was the keynote of the road program, Mr. MacDonald stated that in March 206,442 persons were employed under Federal and State road organizations, 259,862 in April, 311,445 in May, and 366,817 in June.

Estimating that "for every person directly employed on road work proper there are employed on the average in the manufacture and transportation of road materials and equipment," Mr. MacDonald said that Federal and General-aid work in June was "probably equivalent to the full time work of more than 460,000 persons and the Federal and-State work combined probably furnished employment to 1,000,000."

SOVIET COOPERATIVES FREEZING OUT TRADERS

Moscow, U. S. S. R., Dec. 19.—Cooperative societies are eliminating private traders from retail business based on government reports.

Among these figures, 23,423,600 members of cooperative societies were registered on October 1, 1929; 45,104,200 were on the rolls on October 1, 1930, and 69,000,000 on October 1, 1931.

It is the aim of the cooperative societies to include in their membership for 1932 practically the entire body of citizens enjoying political rights. This would mean a membership approaching 125,000,000.

The cooperatives are being used by Joseph Stalin and his followers to eliminate private merchants and their customers as factors in the Communist regime.

McCORMACK URGES U. S. FIVE-DAY WEEK

Labor - Displacing Machinery Compels Shorter Hours to Provide Work for Unemployed.

Washington, Dec. 19.—"The five-day week for Government employes is a constructive step and will prove beneficial," Representative John W. McCormack of Massachusetts said in advancing the measure he introduced for the shorter work week. Representative McCormack is the author of the Saturday half-holiday law now in force for Federal workers.

"The machine," Representative McCormack continued, "has brought in its train an indefinite number of social issues, which call for new definitions and new appraisals. The modern machine age has developed mass production at the expense of the individual worker.

Machinery Causes Unemployment

"While the machine has brought many benefits, it has brought one evil that we must meet and determine.

"The use of machinery on a large scale has resulted in at least 2,000,000 workers being displaced thereby. By 1940, it is estimated, this number will approximate 6,000,000 workers.

"It is a serious problem, and it must be decided for the best interests of the American society. We cannot afford to permit a condition to continue existing whereby such a large number of workers are unemployed. We can retain the machinery and decrease in part unemployment by a shorter work week.

Work or Charity

"The pertinent question is, 'What are we going to do for the men who has lost his job?' None of us wants the dole, but workers must live, and ultimately it is either work or some form of charity, the latter an unfortunate and repulsive state to contemplate except American citizens to enter into.

Jobs Must be Provided

"Something must be done to reabsorb into industry the worker who has been displaced by machinery. The shorter work week is one of the means and Government should lead the way. Necessity demands some action. The action taken should be constructive and not radical."

IMPROPERLY DRAWN BIDS DEPRIVE JOBLESS OF WORK

Washington, Dec. 19.—Many workers in Washington will be deprived of jobs because the officials of the District of Columbia neglected to word details in the phraseology of the call for bids to erect two incinerators at a cost of $760,869.

Congress appropriated the money in the 1930 deficiency bill. Bids for the construction were accepted, but Controller General McCarl made a ruling which prevented the awarding of the original contract. Consequently the appropriation will automatically lapse. It is expected that the present Congress will make a new appropriation and start work on the incinerators will begin next spring.

PHILADELPHIA UNION CONDEMNS LEGISLATURE

Philadelphia, Pa., Dec. 19.—The Central Labor Union of Philadelphia adopted a resolution condemning the special session of the Pennsylvania State Legislature for blocking legislation designed to relieve unemployment distress.

The Central Labor Union in its resolution "has been flagrantly and cynically playing politics with the question of human misery" and "has accomplished nothing of real importance towards meeting the present needs of the grave situation now existing in this State."

The Central Labor Union urged immediate approval of a State bond issue to raise relief funds and urged public pressure on the State Supreme Court to place no obstacles in the way of the bond plan.

LABOR GUARANTEES URGED BY GREEN

Holds Plenty of Jobs Exist if Hours Are Shortened and Credit Bolstered

Washington, Dec. 19.—Prosperity cannot return until the purchasing power of wage earners has been restored, William Green, president of the American Federation of Labor, said in a radio address. His statement that this purchasing power had been reduced $10,000,000,000.

Work for All

"There is work enough available to employ all workers who are able and willing to work," he said, "if the number of hours worked per day were reduced to seven and the number of days worked per week were reduced to five in all the manufacturing and industrial plants throughout the Nation."

Shorter Work Week

"Which would be best for our social and economic life," he asked, "to allow the present conditions to continue or to remove it and overcome it through the introduction of a national shorter work day and shorter workweek? Work security ought to be accorded to the working force required by each manufacturing establishment.

Should Remove Fear

"The fear of unemployment ought to be removed, so far as it is possible to do so. Such an important change, in the state of mind of the workers, as would be brought about through the extension of work guarantee and security would be worth many millions of dollars to business and would serve to stimulate the latent buying power of the Nation.

Stop Wage Cutting

"The application of these practical remedies should be supplemented by the encouragement and application of the 'new scientific and practical wage policy,' and the practice of wage-cutting should cease. The fight should be to maintain price levels, including the high income of the wage earners of the Nation should be increased to the point where their buying power would balance with industrial production.

Credit Extension Urged

"Facilities for the extension and development of buying power on a maximum capacity should be created through the extension of sound and advantageous credit facilities. This can be brought about through the enlargement and extension of credit institutions available for the use of men and women who may be engaged in business and of a class of our citizenship possessed of modest means."

Industry Responsible

"The responsibility for the application of remedies to the existing situation must rest with the owners and managers of industry and with those who control the economic and financial institutions of the land.

"Policies, both economic and financial, are originated and applied by those who own and control industry. They must face the facts and they must apply the remedies which are evidently necessary if we are to overcome our existing difficulties and bring about a return of prosperity. The question is, will these men who possess the power to restore buying power and establish economic balance act collectively, apply the remedies and assist the Nation on the open roadway to economic recovery?"

A. F. of L. Firm Against Wage Cuts For Federal Employes, Green Declares

Washington, Dec. 19.—There must be no reduction in the wages and salaries of Government employes.

The officers and members of the American Federation of Labor are particularly interested in the economic welfare of their fellow workers in the Government Service, many of whom are directly affiliated with the American Federation of Labor.

The American Federation of Labor will oppose in every honorable way any attempt on the part of Congress to lower the living standards of Government employes.

These are the outstanding features of a letter sent by William Green, president of the American Federation of Labor, to Joseph W. Byrns, chairman of the Appropriations Committee of the House of Representatives.

The letter was inspired by two bills introduced in the House of Representatives providing for a slashing of Federal employes' salaries and suggestions from other sources with the same object in view.

President Green's Letter

The following is President Green's letter:

"Because of my deep solicitude for the economic and social welfare of the hundreds of Government employes and because of the feelings of apprehension which prevail in the minds of the officers and members of the American Federation of Labor, I am writing you regarding suggestions which have been made in various quarters for a substantial reduction in wages should be and must be imposed upon Government employes.

Living Standards Must Not be Lowered

"I know of no action which the Government could take which would arouse so much disappointment and dissatisfaction. The laboring people employed in private industry in all sections of the land will join with the Government employes directly affected in a vigorous protest against a lowering of the standard of living through the imposition of a reduction in wages upon Government employes.

Low Wages During World War

"May I take the liberty of reminding you that during the war period and following the war many workers were more fortunate than Government employes insofar as wages and conditions of employment were concerned. Government employes were not so fortunate as to receive increases of pay commensurate with the increase in the cost of living.

A. F. of L. Opposes Wage Cuts

"I wish to present to you, and through you to the leaders of Congress, a most vigorous protest against any attempt to reduce the modest wages and salaries paid Government employes.

"The officers and members of the American Federation of Labor could not, under any circumstances, give approval to such a legislative policy nor could they reconcile themselves to such action on the part of Congress.

"I most earnestly request you to oppose vigorously any attempt to reduce the salary of Government employes. I will be pleased if I may receive from you a favorable response to the request which I have herein submitted."

Byrns Against Salary Slashes

Congressman Byrns replied promptly to President Green's communication. His letter follows:

"I have your letter of the eleventh which was delivered at my office.

"Immediately upon returning to Washington I gave an interview to the press in which I stated that I was not in favor of considering the question of reduction of Government salaries until every other means of balancing the budget be resorted to and was found wanting; that I felt the burden should be upon the higher salary brackets before which had received substantial reductions.

"I further said that if it finally appeared that salary reductions were absolutely necessary that those with the high salaries be first to receive the reduction."

European Employers Oppose Short Work Week Despite Jobless Army

Block Organized Labor's Proposal for International Short Hours Agreement

Berlin, Germany, Dec. 19.—The International Federation of Trade Unions declares flatly against a weekly reduction for the continuation of the long work week in Europe.

The question was brought up in an article in the Vossische Zeitung by the technical manager of a large German concern.

Adjust Hours to Production

"Why is it," the technical manager asked, "that so many industries fail to touch upon the only means whereby, in principle at least, unemployment can be kept within reasonable bounds and the diminution of consumption prevented? This is nothing less than to adjust working hours to the improvement or reduction in the productive mechanism stream of new labor."

"Instead of doing this, we are only just beginning to think about a legal 40-hours week for carefully selected branches of industry, and very hesitatingly at that.

Employers Want Long Hours for Labor

"At every meeting the captains of industry, in their wisdom, insist that the economic crisis can only be met by lengthening working hours. Can it be that they do not see the wood for the trees? They want to stop foreign competition, and their foreign competitors want to stop their foreign competition. Is it not impossible to recognize the short-sightedness of such policy. I feel convinced that even the shorten working hours to 40 would not be sufficient to meet the needs of the situation now developing."

The technical manager then points out that an international agreement through the International Federation of Trade Unions or the International Labor Office is evidently the only method to secure really effective curtailment of working hours, but so far our efforts have failed through the obstinacy of the employers, which has been anything but kind.

"It is barely a month since the Workers' Group of the International Labor Office made a proposal on the very matters mentioned by the technical manager, and pursuant to which the Council drawn out procedure of ratification by individual States, the employers called for the convening of an unofficial tripartite international conference of the three parties (workers, employers and workers) in the hope of bringing about an agreement for the immediate introduction of the 40-hour week.

Employers Oppose Hours Agreement

"The proposal came to nothing, mainly on account of the employers' opposition.

"At that time the International Federation of Trade Unions remarked that at least the stage has been cleared and there can be no doubt where the responsibility lies."

STANDARD OIL EXTENDS EMPLOYE STOCK SCHEME

New York, Dec. 19.—The officials of the Standard Oil Company of New Jersey have announced a fourth stock ownership plan for the company's employes. It was said that employes were requested to express their views on the plan and that the vote was eight to one in favor.

"Approximately 1,675,000 shares of common stock, valued at the present at $50,367,000," says The Lamp, the official house organ of the compadly, "will be in the possession of employes at the close of the third plan, it is estimated. On Dec. 1, the Standard Oil Company (N. J.) employe-stockholders own approximately seventy shares, or $2,100 worth of stock each.

"Because of the economic situation during the past two years the operation of the third stock acquisition plan, and particularly the question of how many employes would withdraw from participation, has been watched with interest. The results of the trustees' action has not only have there been comparatively few withdrawals from the plan as a result of general conditions, but that the employes have availed themselves more in the distribution of the third plan stock now in the hands of the trustees is considerably greater than at the close of any previous plan. Some 24,000 participants will be receiving the distribution soon after the accounts are closed, compared with 19,464 at the end of the second plan and 14,358 at the end of the first."

NEW FEDERAL BUREAUS GOT JOBS FOR 1,395,071

Washington, Dec. 19.—During the seven and one-half months from April 1 to November 15 this year the expanded Federal employment agencies were instrumental in placing 1,395,071 persons in jobs, Francis Jobn Di Alpine, supervising director of this branch of the U. S. Department of Labor's work.

"From the time his bureau was set in full motion up to November 15, he reported. 761,425 Jobless persons were placed directly and 633,646 through cooperating State and Municipal agencies.

In reply to the criticism that a large part of the placements were in farm work and other labor of a seasonal character which some of the jobless did not want to undertake, Di Alpine said he "considered the service to be worthy of double praise if it found the jobs and then had to convince the men to take them."

JUDGE DENIES INJUNCTION TO BAN STRIKE PICKETS

Washington, Dec. 19.—Chief Justice Alfred Wheat Walsh of the District of Columbia Supreme Court denied an application for a temporary injunction restraining picketing of the Washington Typographical Union, Local 72, from picketing the establishment of Francis Furnier, Inc. Members of the union are on strike against the concern.

Pickets marched the sidewalk in front of the establishment, wearing signs telling of the strike. Justice Walsh held that the employer's allegations that the stationing of pickets in front of the establishment constituted intimidation were too trivial to justify the court's intervention.

Proof of violence or other unlawful acts of a serious nature from which actual injury to the plaintiff's business could be inferred would receive consideration in an application for an injunction, the court said.

VAGRANCY LAW MENACES RIGHTS OF STRIKERS

Washington, Dec. 19.—In his zeal to spring the trap of the law on bootleggers, gamblers, and similar persons of ill repute, Corporation Counsel William W. Hyde of the District of Columbia has drafted a vagrancy law measure of being used against the workers who strike against employer-imposed labor conditions.

The proposed law prescribes that "all persons over the age of 17 years who do not have sufficient means to maintain themselves and their families, who live idly and without employment and who are able to work and refuse to work," shall be classed as "vagrants."

Strikers Classed with Vagrants

Courts elsewhere, in the stress of strike, have held that strikers who were supported by their union or by other strike funds, and who refused to work on the employer's terms, were the recipients of charity, had no visible means of support, and were consequently vagrants.

The proposed law also abolishes the time-honored principle in our jurisprudence that a person charged with a misdemeanor or other offense is supposed to be innocent until he is proven guilty. Under the proposed law the burden is upon the State to prove the guilt of the citizen. Under Mr. Bride's law, citizens charged with coming under the definitions are classed as vagrants and must prove that they are not vagrants.

HOFFMANN BEGINS JAIL TERM ON JANUARY 4

Stroudsburg, Pa., Dec. 19.—Judge S. E. Shull in the Monroe County Court granted Organizer Alfred Hoffmann of the American Federation of Full Fashioned Hosiery Workers permission to spend Christmas at home and finish certain work for the union before going to jail to serve a two years' sentence for alleged violation of an injunction issued during the strike at the Mamlin Hosiery Mills in Stroudsburg. Hoffmann will begin his jail terp on January 4.

Frank A. Phillips, president of the Pennsylvania State Federation of Labor, with other committee of prominent trade unionists of the State to obtain other commutation of the sentence and develop a plan for amending the conspiracy laws of Pennsylvania so that strikers and organizers convicted of the Hoffmann type will be prevented in the future.

ENGRAVING BUREAU USES FURLOUGHS TO SHARE WORK

Washington, Dec. 12.—Laying off surplus employes instead of dismissing them is the policy of the U. S. Bureau of Printing and Engraving, according to the annual report of Alvin W. Hall, director of the bureau.

The adoption of the new small-sized currency required the services of additional employes, Hall said, but how many notes were completed there was a surplus when the committee of prominent trade unionists of the State to obtain other commutation of the sentence and develop a plan for amending the conspiracy laws of Pennsylvania so that strikers and organizers convicted of the Hoffmann type will be prevented in the future.

ENGRAVING BUREAU USES FURLOUGHS TO SHARE WORK

Washington, Dec. 12.—Laying off surplus employes instead of dismissing them is the policy of the U. S. Bureau of Printing and Engraving, according to the annual report of Alvin W. Hall, director of the bureau.

The adoption of the new small-sized currency required the services of additional employes, Hall said, but how many notes were completed there was a surplus when the committee of prominent trade unionists of the State to obtain other commutation of the sentence and develop a plan for amending the conspiracy laws of Pennsylvania so that strikers and organizers convicted of the Hoffmann type will be prevented in the future.

460 CITIES HAVE MANAGER PLAN

Cincinnati, O., Dec. 19.—Twenty-two cities adopted the city manager plan of municipal government during the past year, according to Murray Seasongood, president of the National Municipal League. This brings the total number of manager cities up to 460.

FEDERAL INJUNCTION BLOCKS TAMPA STRIKE

Judge Akerman Outlaws Radical Union and Prohibits Propaganda Among School Children.

Tampa, Fla., Dec. 19.—A drastic injunction issued by Federal Judge Alexander Akerman broke the strike of 7,000 cigar workers in Tampa's Latin section known as Ybor City, according to Harris G. Sims, editorial correspondent of the New York Times.

Radical Literature Read

Mr. Sims points out that readers paid by the cigar manufacturers have been a regular feature of Tampa factories for a long period. While the employes puffed, the readers read aloud from newspapers and magazines. The strike came as a result of an order issued by the factory owners banning the readers when it was discovered that they had been reading Red literature to the workers.

Strike leaders had political influence, but the police raided the headquarters of an industrial union and found $700 worth of literature, Mr. Sims said.

Akerman Outlaws Union

Judge Akerman issued an injunction against 24 persons believed to be the leaders of the strike.

"The injunction issued by Judge Akerman," Mr. Sims said, "was drastic and sweeping. It probably hit at the heart of the radical program with a clause restraining those named 'from continuing to maintain and conduct the organization known as the Tobacco Workers Industrial Union of Tampa as an organization under the guise or cover of principles advocating and encouraging the belief in the overthrow by force of organized government or in the destruction of private property as a means to that end.'

School Propaganda Prohibited

"Another significant clause restrains the persons named from inciting or encouraging school children to leave school or to engage in public parades without the permission of proper school authorities, and from interfering with the Boy Scout or Girl Scout movements. This clause was inserted because nearly 200 school children, organized soon after the strike began, left their classes and seized a red flag and paraded through the streets."

CONGRESSMEN OPPOSE PAY CUTS FOR U. S. WORKERS

Capper and LaGuardia Declare Remuneration of Government Employes Is Not Too High.

Washington, Dec. 19.—Senator Arthur Capper of Kansas and Representative LaGuardia of New York joined with the American Federation of Labor in opposing pay cuts for Government employes.

"I do not think Congress is ready to commit itself to the policy enunciated to the shameful practice of wage cutting," Senator Capper said. "We deplore the suggestion and intend to record my ardent opposition to any such program. I shall introduce a bill to prohibit a wage-cutting scheme if it should come before the House that Government employes are not paid too much for the time they do."

Representative LaGuardia said: "If any attempt is made to reduce the salaries of Government employes at this session, the greatest fight that ever took place in this House will occur. The Government should set an example for the Nation by maintaining the present salary levels."

Workers are Chief Sufferers from Business Depression, A. F. of L. Business Survey Says

Wage Loss of $11,000,000,000 Since 1929 Causes Untold Distress Among Masses

MILLIONAIRES PROSPER

More Firms Cut Wages Than Reduce Dividends—Shorter Work Week Demanded

Washington, Dec. 19.—The workers are the chief sufferers from the business depression of the last two years.

They have suffered the loss of earnings and loss of jobs.

The millions of the unemployed have had their earnings totally destroyed.

Millions more have had their earnings drastically reduced either by part time work at standard wage rates or full time work at reduced wage rates.

The workers have also suffered from long hours despite increased output and the unemployed army.

The years of the depression have intensified untold poverty and distress on those whose brain and brawn contribute the major element in the production of wealth.

The outlook for the coming year is simply a continuation of the misery of the last two years.

These are the high lights of the business and labor review of 1931 published in the December Monthly Survey of Business of the American Federation of Labor.

"Business depression is said to be a cure for the unbalance and the inefficiencies which develop with prosperity and expansion," the Federation survey declares.

"In a negative way it does make necessary adjustments.

Production Reduced 20 Per Cent

"Instead of raising consuming power to support production, depression has reduces production to the level of an industries consuming power.

"For the first ten months of this year, production of our mines and factories had fallen 30 per cent from the 1929 average of physical volume—back to the level of 1927.

Building Construction Drops 52 Per Cent

"Building construction for the first eleven months had dropped 52 per cent from the 1928 high level, that is, below the 1922 average.

"Not only has surplus production been eliminated; we have gone back almost to the bottom levels of the last depression, although we have twelve million more persons in our population to provide for.

"If it were possible for depression simply to correct the imbalance of economic forces left by prosperity, the adjustment would be comparatively easy, and depressions would be short.

Jobless Workers Lose Buying Power

"But this is not what happens.

"Once business starts to decline, workers are laid off, buying power is drastically reduced, the unbalance becomes more readily visible.

"The orgy of deflations grows and depression forces buying power precipitously downward with no more control than the forces which brought unbalanced expansion in prosperity.

Wage Earners Lose $11,000,000,000

"At present, wage earners' yearly buying power is below the 1929 level by $11,000,000,000.

"They have lost, through unemployment and part time, nearly twice as much as they gained in the seven years of prosperity.

"Not only is this an immense human loss which will leave its crippling effect permanently on millions of men, women and children through undernourishment and deterioration, it is also a powerful economic force leading to further depression."

Business Volume Shrinks

The survey points out that because of reduced purchasing power of the masses, manufacturers' sales have fallen 34 per cent below 1929, passenger automobile registrations have declined 61 per cent, and 17,000 retail stores have failed during the year.

Prices Shrivel

Prices of industrial products are 28 per cent below 1929, and farm prices have fallen 44 per cent. The marked prices of stocks, bonds, and real estate mortgages have also shriveled enormously.

Business 44 Per Cent Below Normal

"By October, 1931, two years after the stock market collapse," the Federation survey declares, "depression had already reduced business activity to 44 per cent below normal.

Unequal Distribution of Income

"Certain adjustments have been made, but several fundamental changes have not been made.

"We have made little progress in the distribution of income.

"The effort to avoid wage cuts is a step in the right direction and has helped to maintain workers' incomes.

140 Millionaires Get $350,000,000

"But while workers have lost nearly one-third of their entire 1929 income this year, and total wage payments are back to 1922 levels, we still had 140 millionaires in 1930—twice as many as at the peak of post-war prosperity—and they received $350,000,000.

"Although many firms have reduced dividends in 1931, total dividends were not far from the 1929 level.

More Firms Cut Wages Than Reduce Dividends

"This year through October only 1,927 firms have reduced or omitted dividends, while in manufacturing industries 2,400 firms have reduced wages.

"Over 2,300 corporations have paid dividends in the first 11 months of 1931, and 675 paid extra or increased dividends.

Long Hours of Labor

"Likewise in the hours of work, fundamental readjustments have as yet made small progress.

"There is at present only enough work on our farms, factories, railroads and elsewhere to give 35 hours work a week for everyone, if all who want work are to have a job.

7-Hour Day and 5-Day Week

"Industry cannot keep its wage earner forces employed or maintain their buying power unless hours are reduced to a seven-hour day and a five-day week.

"Workers must have the right to earn an honest living.

"Already an effort is being made to reduce hours in the steel industry, and many firms are co-operating. But the movement must be nation-wide before the maladjustment can be corrected."

Third Year of Distress Predicted

"Unquestionably recovery from this depression will be a long process," the survey continues.

"We must look ahead to at least a year of unemployment almost at present levels."

Unemployment Increases

"With the widespread improvement in plant efficiency introduced in the last two years, we have developed increasing technological unemployment.

"Unemployment on funds cannot last; the adjustment of work hours is essential.

"Industrial activity will continue for some time from 20 to 30 per cent below 1929.

Reduced Living Standards

"The American people in general must live on a much smaller budget this year.

"Maintenance of wages is essential, and increases wherever possible to improve buying power.

"Since 675 firms increased dividend payments this year, clearly many are able to increase wages."

Australian Seamen's Strike, Led by Communists, Collapses

Sydney, Australia, Dec. 19.—The end of the Communist-inspired strike of Australian seamen, declares the Australian Worker in an article entitled "The Seamen's Strike," should prove to be a warning to the workers against following Communist leaders.

"The collapse of the shipping strike," the article says, "should provide yet another lesson for workers of what must always happen whenever unauthorized persons are allowed to interfere in matters that should be subject to the control of constitutionally-elected Union executives.

"About a month ago Communist agitators induced members of the Seamen's Union to leave a steamer at Sydney on the somewhat shadowy pretext that a well-known Communist had been victimized. Actually, the allegation of victimization was one that would not stand honest investigation. A seaman had to be away owing to illness, and pending his recovery, his job was filled by the Communist. When the seaman was passed as fit he was taken back to his old job, and the Communist was laid off.

As every Unionist knows, it is one of the fundamental rules of Unionism that a man should not be victimized merely because he has had the bad luck to suffer some temporary disablement. It would be a monstrous injustice, indeed, if a worker had to be dismissed simply because he happened to fall ill for a few days. Yet the Communists advanced the old-hoodwind argument that a bona fide Unionist should be cruelly victimized in order that one of their 'Red' comrades should get his job!

"Naturally, the Communist agitators were able to get the seamen to leave a score of ships in various ports, despite the fact that the executive officers of the Seamen's Union warned the seamen that such action was illegal. Following the usual Communist tactics, a 'rank and file committee' was set up to take the direction of affairs out of the hands of the constitutionally-elected officers of the Union.

"The strike continued in a half-hearted kind of way for about three weeks. It was opposed by a majority of the members of the Seamen's Union, and by the members of the bona fide orders of the 'rank and file committee,' Appeals to the better sense of those on strike were almost universally rejected, and leaders of the movement were not slow in repudiating the strike as an offense against Trade Unionism.

"Finally, the long-suffering seamen who had refused to work at the behest of the Communist agitators were advised where they were being led, and last week they agreed to do what must be recognized as the only sensible course.

"The strike lasted three weeks. The seamen went back gaining nothing, but sacrificing thousands of pounds in wages which they would have received but for their insane action in disregarding the advice of their responsible Union officials and following the destructive lead of Communist plotters, who appeared to be more interested in Union-wrecking tactics than in advancing the welfare of the members of the Seamen's Union."